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SIGNAL IP, INC.

8 **UNITED STATES DISTRICT COURT**  
9 **CENTRAL DISTRICT OF CALIFORNIA, WESTERN DIVISION**  
10

11 SIGNAL IP, INC., a California  
12 corporation,

13 Plaintiff,

14 vs.

15 MERCEDES-BENZ USA, LLC, a  
Delaware limited liability company;  
16 DAIMLER NORTH AMERICA  
CORPORATION, a Delaware  
17 corporation,

18 Defendants.  
19

Case No. 14-cv-3109

**COMPLAINT FOR PATENT  
INFRINGEMENT**

**JURY TRIAL DEMANDED**

20 Plaintiff Signal IP, Inc. (“Signal IP” or “Plaintiff”) brings this Complaint  
21 against Defendants Mercedes-Benz USA, LLC and Daimler North America  
22 Corporation (collectively, “Mercedes” or “Defendants”), alleging as follows:

23 **PARTIES**

24 1. Plaintiff Signal IP is a California corporation with its principal place of  
25 business at 11100 Santa Monica Blvd., Suite 380, Los Angeles, CA 90025.

26 2. On information and belief, Defendant Mercedes-Benz USA, LLC is a  
27 Delaware limited liability company with its principal place of business at One  
28 Mercedes Drive, Montvale, NJ 07645.

3. On information and belief, Defendant Daimler North America Corporation is a Delaware corporation with its principal place of business at 36455 Corporate Drive, Farmington Hills, MI 48331.

#### **JURISDICTION, VENUE AND JOINDER**

4. This action arises under the patent laws of the United States, Title 35 of the United States Code. This Court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331 and 1338(a).

5. This Court has personal jurisdiction over Defendants. Defendants have conducted extensive commercial activities and continue to conduct extensive commercial activities within the State of California. Defendants are registered to do business in California. Additionally, on information and belief, Defendants, directly and/or through intermediaries (including Defendants' entities, subsidiaries, distributors, sales agents, partners and others), distribute, offer for sale, sell, and/or advertise their products (including but not limited to the products and services that are accused of infringement in this lawsuit) in the United States, in the State of California, and in this judicial district, under the "Mercedes" and "Mercedes-Benz" brand names. Defendants have purposefully and voluntarily placed one or more of their infringing products and services into the stream of commerce with the expectation that the products and services will be purchased or used by customers in California and within this judicial district. Accordingly, Defendants have infringed Signal IP's patents within the State of California and in this judicial district as alleged in more detail below.

6. Venue is proper in this district under 28 U.S.C. §§ 1391 and 1400(b).

#### **BACKGROUND**

7. Signal IP, Inc. is a California corporation with a principal place of business at 11100 Santa Monica Blvd., Suite 380, Los Angeles, CA 90025. It is the owner of the entire right, title and interest in and to U.S. Patent Nos. 5,714,927; 5,954,775; 6,434,486; 6,775,601; and 6,012,007 (the "Patents-in-Suit").

8. On information and belief, Defendants are direct or indirect subsidiaries of global car manufacturer and distributor Daimler AG (“Daimler”), which is headquartered in Germany. Daimler manufactures and distributes cars under the “Mercedes” and “Mercedes-Benz” brand names.

### **FIRST CLAIM FOR RELIEF**

#### **(Infringement of the ‘927 Patent)**

9. Plaintiff incorporates paragraphs 1 through 8 of this complaint as if set forth in full herein.

10. Signal IP is the owner of the entire right, title, and interest in and to U.S. Patent No. 5,714,927 (the ‘927 Patent), entitled “Method of Improving Zone of Coverage Response of Automotive Radar.” The ‘927 Patent was duly and legally issued by the U.S. Patent and Trademark Office on February 3, 1998. A true and correct copy of the ‘927 Patent is attached as Exhibit A.

11. Defendants have directly infringed and continue to infringe, literally and/or under the doctrine of equivalents, the ‘927 Patent by making, using, offering for sale, and/or selling in the United States certain methods or systems disclosed and claimed in the ‘927 Patent, including but not limited to the Blind Spot Assist system, used in products including but not limited to the Mercedes-Benz C-Class, CL-Class, CLA-Class, CLS-Class, E-Class, G-Class, GL-Class, GLK-Class, M-Class, S-Class, SL-Class, SLS AMG, B-Class, Sprinter, and E400 Hybrid.

12. Defendants have contributorily infringed and are currently contributorily infringing the ‘927 Patent by making, using, offering for sale, and/or selling in the United States certain methods or systems disclosed and claimed in the ‘927 Patent, including but not limited to the Blind Spot Assist system, used in products including but not limited to the Mercedes-Benz C-Class, CL-Class, CLA-Class, CLS-Class, E-Class, G-Class, GL-Class, GLK-Class, M-Class, S-Class, SL-Class, SLS AMG, B-Class, Sprinter, and E400 Hybrid.

13. Defendants have actively induced and are actively inducing the

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1 infringement of the '927 Patent by making, using, offering for sale, and/or selling in  
2 the United States certain methods or systems disclosed and claimed in the '927  
3 Patent, including but not limited to the Blind Spot Assist system, used in products  
4 including but not limited to the Mercedes-Benz C-Class, CL-Class, CLA-Class,  
5 CLS-Class, E-Class, G-Class, GL-Class, GLK-Class, M-Class, S-Class, SL-Class,  
6 SLS AMG, B-Class, Sprinter, and E400 Hybrid.

7 14. Defendants' infringement of the '927 Patent has been and continues to  
8 be willful, rendering this case exceptional within the meaning of 35 U.S.C. § 285.

9 15. Unless enjoined by this Court, Defendants will continue to infringe the  
10 '927 Patent.

11 16. As a direct and proximate result of the Defendants' conduct, Plaintiff  
12 has suffered, and will continue to suffer, irreparable injury for which it has no  
13 adequate remedy at law. Plaintiff also has been damaged and, until an injunction  
14 issues, will continue to be damaged in an amount yet to be determined.

## 15 **SECOND CLAIM FOR RELIEF**

### 16 **(Infringement of the '486 Patent)**

17 17. Plaintiff incorporates paragraphs 1 through 16 of this complaint as if set  
18 forth in full herein.

19 18. Signal IP is the owner of the entire right, title, and interest in and to  
20 U.S. Patent No. 6,434,486 (the '486 Patent), entitled "Technique for Limiting the  
21 Range of an Object Sensing System in a Vehicle." The '486 Patent duly and legally  
22 issued by the U.S. Patent and Trademark Office on August 13, 2002. A true and  
23 correct copy of the '486 Patent is attached as Exhibit B.

24 19. Defendants have directly infringed and continue to infringe, literally  
25 and/or under the doctrine of equivalents, the '486 Patent by making, using, offering  
26 for sale, and/or selling in the United States certain methods or systems disclosed and  
27 claimed in the '486 Patent, including but not limited to collision prevention or  
28 avoidance systems, including but not limited to the Distronic PLUS system, used in

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1 products including but not limited to the Mercedes-Benz C-Class, CL-Class, CLA-  
2 Class, CLS-Class, E-Class, GLK-Class, M-Class, S-Class, SL-Class, SLK-Class,  
3 and B-Class.

4 20. Defendants have contributorily infringed and are currently  
5 contributorily infringing the '486 Patent by making, using, offering for sale, and/or  
6 selling in the United States certain methods or systems disclosed and claimed in the  
7 '486 Patent, including but not limited to collision prevention or avoidance systems,  
8 including but not limited to the DISTRONIC PLUS system, used in products including  
9 but not limited to the Mercedes-Benz C-Class, CL-Class, CLA-Class, CLS-Class, E-  
10 Class, GLK-Class, M-Class, S-Class, SL-Class, SLK-Class, and B-Class.

11 21. Defendants have actively induced and are actively inducing the  
12 infringement of the '486 Patent by making, using, offering for sale, and/or selling in  
13 the United States certain methods or systems disclosed and claimed in the '486  
14 Patent, including but not limited to collision prevention or avoidance systems,  
15 including but not limited to the DISTRONIC PLUS system, used in products including  
16 but not limited to the Mercedes-Benz C-Class, CL-Class, CLA-Class, CLS-Class, E-  
17 Class, GLK-Class, M-Class, S-Class, SL-Class, SLK-Class, and B-Class.

18 22. Defendants' infringement of the '486 Patent has been and continues to  
19 be willful, rendering this case exceptional within the meaning of 35 U.S.C. § 285.

20 23. Unless enjoined by this Court, Defendants will continue to infringe the  
21 '486 Patent.

22 24. As a direct and proximate result of the Defendants' conduct, Plaintiff  
23 has suffered, and will continue to suffer, irreparable injury for which it has no  
24 adequate remedy at law. Plaintiff also has been damaged and, until an injunction  
25 issues, will continue to be damaged in an amount yet to be determined.

### **THIRD CLAIM FOR RELIEF**

#### **(Infringement of the '601 Patent)**

28 25. Plaintiff incorporates paragraphs 1 through 24 of this complaint as if set

1 forth in full herein.

2 26. Signal IP is the owner of the entire right, title, and interest in and to  
 3 U.S. Patent No. 6,775,601 (the ‘601 Patent), entitled “Method and Control System  
 4 for Controlling Propulsion in a Hybrid Vehicle.” The ‘601 Patent was duly and  
 5 legally issued by the U.S. Patent and Trademark Office on August 10, 2004. A true  
 6 and correct copy of the ‘601 Patent is attached as Exhibit C.

7 27. Defendants have directly infringed and continue to infringe, literally  
 8 and/or under the doctrine of equivalents, the ‘601 Patent by making, using, offering  
 9 for sale, and/or selling in the United States certain methods or systems for hybrid  
 10 vehicles disclosed and claimed in the ‘601 Patent, including but not limited to the  
 11 Mercedes-Benz ML450 Hybrid and E400 Hybrid.

12 28. Defendants have contributorily infringed and are currently  
 13 contributorily infringing the ‘601 Patent by making, using, offering for sale, and/or  
 14 selling in the United States certain methods or systems disclosed and claimed in the  
 15 ‘601 Patent, including but not limited to the Mercedes-Benz ML450 Hybrid and  
 16 E400 Hybrid.

17 29. Defendants have actively induced and are actively inducing the  
 18 infringement of the ‘601 Patent by making, using, offering for sale, and/or selling in  
 19 the United States certain methods or systems disclosed and claimed in the ‘601  
 20 Patent, including but not limited to the Mercedes-Benz ML450 Hybrid and E400  
 21 Hybrid.

22 30. Defendants’ infringement of the ‘601 Patent has been and continues to  
 23 be willful, rendering this case exceptional within the meaning of 35 U.S.C. § 285.

24 31. Unless enjoined by this Court, Defendants will continue to infringe on  
 25 the ‘601 Patent.

26 32. As a direct and proximate result of the Defendants’ conduct, Plaintiff  
 27 has suffered, and will continue to suffer, irreparable injury for which it has no  
 28 adequate remedy at law. Plaintiff also has been damaged and, until an injunction

1 issues, will continue to be damaged in an amount yet to be determined.

2 **FOURTH CLAIM FOR RELIEF**

3 **(Infringement of the ‘007 Patent)**

4 33. Plaintiff incorporates paragraphs 1 through 32 of this complaint as if set  
5 forth in full herein.

6 34. Signal IP is the owner of the entire right, title, and interest in and to  
7 U.S. Patent No. 6,012,007 (the ‘007 Patent), entitled “Occupant Detection Method  
8 and Apparatus for Air Bag System.” The ‘007 Patent was duly and legally issued by  
9 the U.S. Patent and Trademark Office on January 4, 2000. A true and correct copy  
10 of the ‘007 Patent is attached as Exhibit D.

11 35. Defendants have directly infringed and continue to infringe, literally  
12 and/or under the doctrine of equivalents, the ‘007 Patent by making, using, offering  
13 for sale, and/or selling in the United States certain methods or systems disclosed and  
14 claimed in the ‘007 Patent, including but not limited to the Occupant Classification  
15 System, used in products including but not limited to the Mercedes-Benz C-Class,  
16 CL-Class, CLA-Class, CLS-Class, E-Class, G-Class, GL-Class, GLK-Class, M-  
17 Class, R-Class, S-Class, SL-Class, SLK-Class, SLS AMG, B-Class, CLK, Sprinter,  
18 S400 Hybrid, ML450 Hybrid, and E400 Hybrid.

19 36. Defendants have contributorily infringed and are currently  
20 contributorily infringing the ‘007 Patent by making, using, offering for sale, and/or  
21 selling in the United States certain methods or systems disclosed and claimed in the  
22 ‘007 Patent, including but not limited to the Occupant Classification System, used in  
23 products including but not limited to the Mercedes-Benz C-Class, CL-Class, CLA-  
24 Class, CLS-Class, E-Class, G-Class, GL-Class, GLK-Class, M-Class, R-Class, S-  
25 Class, SL-Class, SLK-Class, SLS AMG, B-Class, CLK, Sprinter, S400 Hybrid,  
26 ML450 Hybrid, and E400 Hybrid.

27 37. Defendants have actively induced and are actively inducing the  
28 infringement of the ‘007 Patent by making, using, offering for sale, and/or selling in



the United States certain methods or systems disclosed and claimed in the ‘007 Patent, including but not limited to the Occupant Classification System, used in products including but not limited to the Mercedes-Benz C-Class, CL-Class, CLA-Class, CLS-Class, E-Class, G-Class, GL-Class, GLK-Class, M-Class, R-Class, S-Class, SL-Class, SLK-Class, SLS AMG, B-Class, CLK, Sprinter, S400 Hybrid, ML450 Hybrid, and E400 Hybrid.

38. Defendants’ infringement of the ‘007 Patent has been and continues to be willful, rendering this case exceptional within the meaning of 35 U.S.C. § 285.

39. Unless enjoined by this Court, Defendants will continue to infringe on the ‘007 Patent.

40. As a direct and proximate result of the Defendants’ conduct, Plaintiff has suffered, and will continue to suffer, irreparable injury for which it has no adequate remedy at law. Plaintiff also has been damaged and, until an injunction issues, will continue to be damaged in an amount yet to be determined.

### **FIFTH CLAIM FOR RELIEF**

#### **(Infringement of the ‘775 Patent)**

41. Plaintiff incorporates paragraphs 1 through 40 of this complaint as if set forth in full herein.

42. Signal IP is the owner of the entire right, title, and interest in and to U.S. Patent No. 5,954,775 (the ‘775 Patent), entitled “Dual Rate Communication Protocol.” The ‘775 Patent was duly and legally issued by the U.S. Patent and Trademark Office on September 21, 1999. A true and correct copy of the ‘775 Patent is attached as Exhibit E.

43. Defendants have directly infringed, literally and/or under the doctrine of equivalents, the ‘775 Patent by making, using, offering for sale, and/or selling in the United States certain methods or systems for vehicles disclosed and claimed in the ‘775 Patent, including but not limited to the FlexRay communication protocol, used in products including but not limited to the Mercedes-Benz E-Class and S-



1 Class.

2 44. Defendants have contributorily infringed the '775 Patent by making,  
 3 using, offering for sale, and/or selling in the United States certain methods or  
 4 systems disclosed and claimed in the '775 Patent, including but not limited to the  
 5 FlexRay communication protocol, used in products including but not limited to the  
 6 Mercedes-Benz E-Class and S-Class.

7 45. Defendants have actively induced infringement of the '775 Patent by  
 8 making, using, offering for sale, and/or selling in the United States certain methods  
 9 or systems disclosed and claimed in the '775 Patent, including but not limited to the  
 10 FlexRay communication protocol, used in products including but not limited to the  
 11 Mercedes-Benz E-Class and S-Class.

12 46. As a direct and proximate result of Defendants' conduct, Plaintiff has  
 13 suffered irreparable injury for which it has no adequate remedy at law. Plaintiff also  
 14 has been damaged in an amount yet to be determined.

### 15 **PRAYER FOR RELIEF**

16 Wherefore, Signal IP respectfully requests that the Court enter judgment  
 17 against Defendants as follows:

- 18 1. That Defendants have directly infringed the Patents-in-Suit;
- 19 2. That Defendants have contributorily infringed the Patents-in-Suit;
- 20 3. That Defendants have induced the infringement of the Patents-in-Suit;
- 21 4. That Defendants' infringement be adjudged willful and deliberate;
- 22 5. That Defendants and their affiliates, subsidiaries, officers, directors,  
 23 employees, agents, representatives, successors, assigns, and all those acting in  
 24 concert, participation, or privity with them or on their behalf, including customers,  
 25 be enjoined from infringing, inducing others to infringe or contributing to the  
 26 infringement of the Patents-in-Suit;
- 27 6. For damages, according to proof, for Defendants' infringement,  
 28 together with pre-judgment and post-judgment interest, as allowed by law and that

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1 such damages be trebled as provided by 35 U.S.C. § 284;

2 7. That this Court determine that this is an exceptional case under 35  
3 U.S.C. § 285 and an award of attorneys' fees and costs to Signal IP is warranted;  
4 and

5 8. For such other and further relief as the Court may deem just and proper.

6  
7 Dated: April 23, 2014

LINER LLP

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By: /s/ Ryan E. Hatch

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Randall J. Sunshine

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Ryan E. Hatch

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Jason L. Haas

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Attorneys for Plaintiff SIGNAL IP, INC.

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JURY DEMAND

Pursuant to Federal Rules of Civil Procedure Rule 38(b), Plaintiff Signal IP, Inc. respectfully demands a jury trial on any and all issues triable as of right by a jury in this action.

Dated: April 23, 2014

LINER LLP

By: /s/ Ryan E. Hatch

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Attorneys for Plaintiff SIGNAL IP, INC.

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